

RAJYA SABHA

***SUPPLEMENT**

TO

SYNOPSIS OF DEBATE

(Proceedings other than Questions and Answers)

Friday, August 20, 2010/ Sravana 29, 1932 (Saka)

SHORT DURATION DISCUSSION

Large scale illegal mining in the country - *Contd.*

***SHRI AAYANUR MANJUNATHA:** Nobody is concerned about the adverse impact of illegal mining on the country's economy and its social and political fall outs. The livelihood of our people particularly tribals, backward community are greatly affected. Karnataka is the only state in the country, which has shown its concern to protect national resources by imposing ban on export of iron ore from Karnataka. I would like to know as to how many persons in the entire country are operating these mining and how many of them have not taken permission from the Government. Henceforth, Mining licenses would be issued in Karnataka only for value addition. It would help us to utilize our national resources within the country and create employment opportunity. It would generate more revenue to our exchequer. I urge upon the Union Government to

***This Synopsis is not an authoritative record of the proceedings of the Rajya Sabha.**

**** Synopsis of speech delivered by Hon'ble Member in Kannada**

take stringent action against those involved in the illegal mining and to punish them and take strong measures to protect our national resources and save the country from illegal mining.

DR. K. KESHAVA RAO: All of us in this House, are equally concerned about what is happening in the country. The most perplexing and paradoxical part of this debate is that every one, right from the Prime Minister, the UPA Chairperson, the Union Minister, the Supreme Court and the CVC says that illegal exports have to be banned. The Environment Minister, in his own letters, written to the Karnataka Government says and all the Members say so. Yet, it goes on. The illegal mining is not only loot and plunder, but it is also the easy money. The mafias have invented their own methods.

If some foreign country likes to use your material, it can have its plant here as well. This will end, to a large extent, this kind of illegality in the mining sector. I know what is happening in Orissa. The second phase permission has not yet been given. In Goa the land belonged to the Government but it has been sold and transferred to Vedanta. They may not directly be concerned with illegal mining, but they are concerned with illegal mining activity. The Karnataka Chief Minister admitted that illegal mining was taking place in the State in a very high order. The man in power can do anything. The money can interfere in our democratic institutions very badly. When China increased the prices everybody looked to the iron ore mines. Where it was easily available. In obulapuram, even the State borders were changed because the permits were available in one State and the ore was available in another State. The plunder of the national resources needs to be stopped.

The Hon'ble Minister has announced a Commission of Inquiry to look into the entire thing in 18 months' time. I would like to remind the Hon'ble Minister that this kind of an Inquiry Commission report will not help in the issue of this dimension. I remind that everyday illegal mining, the export value of which is worth Rs. 20 crores, is being done by one company. This is the export value of the mined product. In 18 months, nearly Rs. 7000-Rs. 8000 crores would

be going to these illegal mafia. So, this has to be looked into. We need to come to some kind of a policy decision to stop these exports or we need to think that for a particular time whenever there are some kinds of allegations, wherever there are some complaints and wherever there is a need of inquiry, we can totally ban mining. We need to have some kind of a new mechanism. There is an other impact of this illegal activity. These people are getting into reserved forest areas. It is estimated that permits are being given for something like one lakh acres of land which are otherwise reserved forests. The State Forest Departments have to protect these forests and the reserved forest land cannot be used for mining purpose.

The *modus operandi* of the particular person is that the Court sent arrest warrants 17 times; but he did not appear before the Court, even once. The power of the State Government has become weak before money. Due to the illegal mining work, many acres of forest lands have been destroyed and 2.5 crores of tribals have been displaced as their source of livelihood is those lands. Their condition is miserable because they are not being rehabilitated. The mafias save themselves by taking the name of some State agency. I appeal to the Government to share those lands by means of sub-contract. That is how the backdoor operations can be checked. The Government should honestly take action against the persons who bear no name and no party. They do not belong to any section of society. They are criminals. A ban should be imposed on the exports of iron ore, manganese, etc. in the eco-sensitive zones.

SHRI GANGA CHARAN: Illegal mining is a serious problem of the country and it has given rise to Naxalism. While the mafias are earning crores of rupees through illegal mining, the local people thereof are pining for food-grains. That money should be deposited in the revenue. The environment is also being affected adversely. Mining guidelines are being violated. The valuable mineral resources are not being exploited properly. In order to check the illegal mining, the Government should formulate a policy and make a law. Strict action should be taken against the mafias and their property should be confiscated.

Today, we find that the money power has been dominating the parliamentary democracy. People engaged in public service who sacrificed their whole lives in social service cannot become an MP or MLA. The major reason for this is that the persons earning money with wrong method such as illegal mining or by other wrong means have also become the controller of power and democracy. Thus, strong action is required to be taken in this regard.

SHRI PYARIMOHAN MOHAPATRA: Illegal mining has happened because of the laxities of the enforcement machineries of both, the State Governments as well as the Central Government. You have the IBM. In the beginning, a mine owner is allowed to produce one lakh tones in a particular year, and then, goes on and produce 8-10 lakh tones. Over the years, the cross-checking has fallen disuse. Some mine owners have crossed their boundaries. They have mined areas belonging to the corporations or other mine owners. Thirdly, other than the mine owners, mafias developed and they also indulged in making easy money. Everybody in that area, from Constable to Forest Guard, made money. My Chief Minister has ordered a vigilance inquiry. There is a lot of politicization which is taking place. Why was the royalty of 30 per cent demanded by these six Chief Ministers denied? After the prices came down, you are putting it as 10 per cent. What for? I would request you that instead of being with the mine-owners, be with the people. Please enforce mining plans when you talk of rehabilitation of tribals. But mining plans are violated. State Government have failed. You have arrested all the officers starting from the Director of Mines. Why haven't you arrested any one of your officers?

***SHRI K. V. RAMALINGAM:** If all the resources of our nation are properly utilized, all social problems will be alleviated form our nation. When land is acquired for mining, proper compensation ought to be paid to the landowner in addition to providing

* Synopsis of speech delivered by Hon'ble Member in Tamil.

employment to one member in that family. In Namakkal district of Tamil Nadu, many layers of platinum are found. If the mineral resources are excavated only with the sole intention of amassing wealth, it would lead to environmental pollution. The environment should be the consideration during mining instead of income. Water resources are vital for the growth of our agriculture. Some states have perennial rivers. Sand mining is done at a large scale. As a result, water from rivers could not flow into the canal which is above the riverbed. Therefore, agriculture is affected. Due to the mining of sand from river bed, sea water gets mixed river water. In Erode, Coconut is grown in large number. Smuggling of mineral resources has increased throughout the country. Proper steps need to be taken to prevent such smuggling. This illegal mining of sand not only causes revenue loss to the Government but also damages the roads, making them unfit for smooth travel. The right of sand mining in Tamil Nadu are given to some benamis of the ruling party men in Tamil Nadu. The sand which is plundered illegally in Tamil Nadu is exported to Maldives. The Union Government should look into this issue and take strict measures against those plunderers in order to protect the resources.

SHRI D. RAJA: The illegal mining is one way of plundering and looting the national wealth. The incidence of illegal mining has grown considerably. The Hon'ble Minister has given a statement in the House that there is a nexus with criminals and anti-national elements. The Indian Bureau of Mines identified some 17 States where such illegal mining is going on. How do we fail to fight this when there are so many laws to curb this crime? To my mind, it is basically the failure of the Central Government as well as the State Governments. How can the Central Government and the State Governments remain mute spectators to this huge crime. I have raised the question as to when in some States even some Ministers are involved in mining illegally, how can they continue to be Ministers. There was no answer from the Government.

In response to my question as to what action Government are going to take it said that an Enquiry Commission was being constituted which will be given 18 months' time. There is hardly any

need to constitute an Enquiry Commission when facts are before us. Even it is to be constituted, the time-frame should not be so long. I request the Government to nationalize these mines to save the nation.

SHRI M.V. MYSURA REDDY: The illegal mining of coal, iron, ore, granite, and sand is being done in broad daylight. I know about the companies whose are involved in this illegal mining. But I don't want to mention the names because of decency, decorum and procedure of the House. This wealth has gone to China. Karnataka Chief Minister has banned the export of mineral out of Karnataka.

The government has accepted that illegal mining activities are going on in Rajasthan, Orissa, AP and Karnataka. What is the extent of illegal mining of iron ore that has been exported to the other countries? Why Andhra Government did not ban iron ore export from our sea ports? Now the government says that it is going to form a commission on illegal mining. There is no need of setting up a Commission. They can straightway ban the export of iron ore and coal also. Illegal iron ore mining mafia lobby is so strong that they are corrupting the political system, bureaucracy and judiciary also. I suggest auctioning of iron ore blocks through a bidding process for captive consumption, banning export of raw iron ore and allowing export of value added goods. I also demand an inquiry into the irregularities.

SHRI K.B. SHANAPPA: Illegal mining activities are going on in Orissa and other places where there are deposits, but everybody here is making an issue of Bellary.

They have made hundreds of plans for the development of SCs, old people, ladies, Anganwadis. He wants to do the best possible for the people of the State. Forgetting all these things, the 'mudda' of Bellary has come all of a sudden. I do not think that no politics is involved here. For the first time in South, a BJP Government has been brought by the people of Karnataka. Do you think that the people sitting here in Delhi are happy? We have not only formed a Government in Karnataka, but also we have given a popular Government there.

Bellary is a 'mudda.' The Chief Minister has invited to have a dialogue. He is prepared to talk about whatever you want. You ask for the documents from the Chief Minister. Being the Leader of Opposition, you have got every right to ask for it. But you have left all these things and given a slogan to continue the movement and go to Bellary till Shri Rajiv Pratap is removed. He has openly said on the floor of the House that he is ready for any enquiry and punishment. You bring records.

We came to power in 2008. Before that from 1998 to 2004, you work in power. Till 2007, the Government was led by the Congress in coalition with the Janata Dal (S). I want to tell you what happened when they were in power. When Governor rule was imposed, the most of the illegal mining was done. Control the bad people and Central legislation must be formulated. Find a way out for stopping illegal mining.

SHRI ANIL H. LAD: I would like to disclose that I am in the mining business. Illegal mining started in the year 2002 when due to globalization, demand for iron ore increased. Two hundred to three hundred industries came up around Bellary and Hyderabad. The newspaper, Vijay Karnataka says that in 2004-10, near about 3 crore tones of material has been illegally mined. The Karnataka Chief Minister admitted in the Assembly that the illegal mining had happened. Hon'ble Justice Santosh Hegde said that there was no law and order in Bellary. Bellary is connected with 6-7 ports. The Government should take note of the quantity of material that has been exported from which port. If the Lokayukta can go into all these details, it would be nice. Let there be an inquiry even on us which includes the permits. There is a lot of variation in the prices.

I would like to know whether permission has been given to the company for investment of Rs.36,000 crores in Karnataka or not. A high-level committee has been formed in the State to scrutinize all the plants. Lot of investors have come and put applications in Karnataka, but the Karnataka Government rejects these applications. The agricultural land is being diverted for setting up industries. The

Government of Karnataka is not giving the lease to JSW, but, without a plant, they allotted the land and even given the mining leases for this company. This is not a small scandal.

The Lokayukta mentioned in its Report that 99 illegal mining happened in Bellary. The Lokayukta used the GPS-72 equipment to survey the lands. When a GPS survey is done, there will be a variation in that. On that we have gone to court and got the stay. There has been illegal mining on forest barren lands.

SHRI SHANTARAM LAXMAN NAIK: There is vast corruption in the public sector. If we are able to manage the public sector, then the nationalization could have been the solution. Low grade iron ore is not utilized in Goa. Therefore, there is no other alternative than to export it. For other iron ores also we do not have that much capacity.

Although we have got a mineral policy, we have not amended the concerned legislation. In this mineral policy there is a very important revolutionary change that henceforward the tribal and villagers will be the stakeholders. This has to be implemented. The disappearance of iron ores of Bellary cannot be investigated by an Inquiry Commission. There has to be an FIR and the guilty should be arrested.

If somebody does not want to take action, the Inquiry Commission is there. Therefore, Inquiry Commission is not a substitute for this. Therefore, I demand that CBI inquiry is the only solution for Bellary theft.

MS. SUSHILA TIRIYA: Despite all the verdicts of Supreme Court, proper rehabilitation of tribals is never done. Whether it is electric project, electricity work are on illegal mining of minerals, tribals are displaced from one place to another in the name of development. Tribals do not have even one percent share in illegal mining. Those poor people are living in unhygienic environment. In last, one and half years, maximum illegal mining was done in Keomjhar and Mayurbhanj Tribals of Kyonjar are having such

disease and even after medical tests, disease cannot be known. In Mayurbhanj minerals and iron-ore are in abundance and plant can be made easily from it. About Vedanta and Pasco, issue was raised in Orissa Assembly but their rehabilitation is not being done for a long time. Those people who have given lease out of line and boundary through paper tampering by covering these two districts should be punished.

SHRI RAM KRIPAL YADAV; Illegal mining is being done in the guise of legal mining. People who are doing legal mining, we give them permit, they have authority and they are giving only Rs. 21 per ton. You will be surprised to know that it is being sold at five to six thousand per ton. Whether we cannot say that we our self have made a provision for earning money illegally. It should be pondered over. Wealth of the country is being looted and money is going in the hands of few people. You made auction of 3G and you made a profit of thousand crore rupees. It should be considered seriously, otherwise due to policy of Centre and State treasure of the country will continue to be looted and we will just be sitting and people living in poverty will keep on dying, who do not get two time meals.

Today, the whole country is in the grip of extremisin. The officers of the State Government and the Central Government are conniving with the people who are making big money.

SHRI DHIRAJ PRASAD SAHU: The business of illegal mining is thriving everywhere, whether it is Rajasthan, Madhya Pradesh, Chattisgarh, Orissa or Jharkhand. Illegal mining and Jharkhand are deeply related as we have abundance of mining resources Illegal mining is causing damage to the mines and also trees are being cut ruthlessly which is adversely affecting the environment. Export of iron are should be banned and a White Paper should be issued so as to apprises the country about the quantum of losses being suffered. More taxes are required to be levied on all other minerals and ores. I propose that an amendment should be made in the law to make it binding on the illegal mines to develop sources of energy compulsorily on the land use for illegal miners. The power generated

through it should be provided to the nearby village. It will not only benefit the rural people, new means of self employment will also be available. The Indian Bureau of mines is required to be strengthened in order to ensure compliance of law related to mining and procedures.

Discussion not concluded.

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V. K. AGNIHOTRI,
Secretary-General.

**ERRATA TO SUPPLEMENT TO SYNOPSIS OF DEBATE,
DATED 19TH AUGUST AND SYNOPSIS OF DEBATE, DATED
20TH AUGUST, 2010**

- Page 316 Line 14 from bottom, delete 'of the'
- Page 318 Line 14, delete '**Concern over the**'
- Page 322 Line 10 from bottom, read the name of Hon'ble Member as '**SHRI RAMA CHANDRA KHUNTIA**'
- Page 325 Line 3, read 'to' for 'by'
- Page 327 Line 16, read the name of Hon'ble Member as '*Shri Balbir Punj*'
- Page 335 Line 11, read 'independence' for 'independent'
- Page 336 Line 3, read the name of Hon'ble Member as '**SHRI BHARATKUMAR RAUT**'
- Page 338 Line 1 from bottom, add 'in 1999,' after 'Railway Minister'
- Page 339 Line 1 from bottom, read 'discussed this matter with' for 'discuss matter'